

Message Text

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ACTION EB-07

INFO OCT-01 EA-07 ISO-00 AGRE-00 CIAE-00 COME-00
INR-07 LAB-04 NSAE-00 EPG-02 SP-02 STR-04 TRSE-00
FRB-03 OMB-01 /038 W
-----100194 081329Z /43

R 080806Z JUL 77

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 2127

C O N F I D E N T I A L MANILA 10536

E. O. 11652: GDS

TAGS: ETRD, RP

SUBJECT: SUGAR: GW-GOP CONTRACT NEGOTIATIONS

1. CONVENTIONAL WISDOM AT PRESENT IN GOP HOLDS THAT RETURN FROM SUGAR SOLD UNDER PARTICIPATING CONTRACTS HAS BEEN LESS THAN THAT EARNED UNDER CONTRACT WITH BROKERS AND OTHER GOVERNMENTS. PHILIPPINE NATIONAL BANK (PNB) OFFICIALS BELIEVE THAT UNITED STATES REFINERIES WITH PARTICIPATING CONTRACTS HAVE USED THESE CONTRACTS TO UNDERSSELL THEIR COMPETITORS IN THE UNITED STATES (THEREBY DEPRESSING THE MARKET AND REDUCING PRICE PAID TO GOP FOR THE SUGAR). IN ADDITION GOP OFFICIALS NO LONGER BELIEVE THAT ESTABLISHING A SHIPPING RECORD WITH UNITED STATES IS OF PRIMARY IMPORTANCE SINCE THEY HAVE BEEN TOLD REEPAETEDLY BY U.S. OFFICIALS THAT COUNTRY QUOTAS WILL NOT BE INSTITUTED AGAIN IN THE UNITED STATES. THUS, MOMENTUM TO RENEW PARTICIPATING CONTRACTS WITH GREAT WESTERN AND SUCREST HAS BEEN CONSIDERABLY DIMINISHED: SUCREST IS NOT NOW ACTIVELY NEGOTIATING WITH GOP (ALTHOUGH SUCREST IS RECEIVING SUGAR UNDER EXISTING PARTICIPATING CONTRACTS) AND GREAT WESTERN REP IS RETURNING TO DENVER TO "AWAIT DEVELOPMENTS". (AS PREVIOUSLY REPORTED, GREAT WESTERN IS NOT ACCEPTING SUGAR UNDER THEIR CURRENT PARTICIPATING

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CONTRACT.)

2. GREAT WESTERN REP HERE BELIEVES IT POSSIBLE THAT NMLTLIPPINE GROUP WILL PURCHASE SUCREST, AND HE THINKS IT LIKELY THAT FILIPINOS WILL THEN TURN TO A U.S. REFINERY FOR A MANAGEMENT CONTRACT TO RUN THE COMPANY. GREAT WESTERN BELIEVES THAT THERE IS NO

LEGAL REASON WHY THE CANNOT FUFILL THIS ROLE.
STULL

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SUGAR, CONTRACTS, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 08-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MANILA10536
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770243-0144
Format: TEL
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770778/aaaacpqj.tel
Line Count: 64
Litigation Code IDs:
Litigation Codes:
Litigation History:
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Message ID: beb68a6e-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 23-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1923070
Secure: OPEN
Status: NATIVE
Subject: SUGAR: GW-GOP CONTRACT NEGOTIATIONS
TAGS: ETRD, RP, US
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/beb68a6e-c288-dd11-92da-001cc4696bcc
Review Markings:
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